



WISCONSIN

DEPARTMENT OF WORKFORCE DEVELOPMENT
Division of Economic Support
Bureau of Work Support Programs

TO: **Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies**

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BWSP OPERATIONS MEMO

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Non W-2 ☒ W-2 ☐ CC ☐

PRIORITY: High

SUBJECT: **MEDICAL ASSISTANCE PURCHASE PLAN (MAPP)
HEALTH INSURANCE PREMIUM PAYMENT (HIPP)**

CROSS REFERENCE: Medicaid (MA) Handbook
§ 49.472, Wis. Stats.
Administrative Rules: HFS 103.087 & 108.02
BWSP Operations Memos 00-15 & 00-50

EFFECTIVE DATE: January 1, 2001

PURPOSE

This memo implements the statutory provision that allows the State to purchase group health insurance for a Medicaid Purchase Plan (MAPP) recipient when it is cost effective to do so. It also describes the client's responsibility to cooperate with this effort as a condition of eligibility for the MAPP program.

BACKGROUND

MAPP was created and made an optional categorically needy subprogram under the federal Balanced Budget Act of 1997. The Department of Health and Family Services (DHFS) was authorized in the 1999-2001 Biennial Budget (1999 Wisconsin Act 9) to implement this program.

Most of the eligibility requirements and policies associated with MAPP were implemented on March 15, 2000 and described in Operations Memos 00-15 and 00-50. One such policy for which implementation was delayed until now, involved the DHFS's ability to purchase group health insurance from the employer of the MAPP recipient or an ineligible family member. This would occur only if the DHFS determined that purchasing the insurance coverage would be less

costly than providing Medicaid (MA) coverage. The process for reviewing cost effectiveness and purchasing the insurance is known as the Health Insurance Premium Payment (HIPP) program.

HIPP PROCESS

Electronic Data Systems (EDS), the MA fiscal agent for the State of Wisconsin, will have primary responsibility for MAPP HIPP administration. They will staff a MAPP HIPP Unit with analysts who will contact MAPP recipient employers and determine if any employer based health plan is more cost effective than MA. If it is, they will decide if Wisconsin MA will purchase the cost effective employer's health coverage for the MAPP recipient. Subsequent premium payments will be initiated and monitored by EDS. The HIPP Unit will notify those recipients who are required to enroll in an employer's health plan and provide additional information related to enrollment, coverage, and cooperation.

HIPP may purchase the premium for a non-MA family member if that member needs to enroll in the group health plan in order to obtain coverage for the MAPP recipient. MA will only pay for the premiums of these ineligible family members and not any of their other cost sharing expenses. For the MAPP recipient, MA will pay for their employer's health insurance premium, and any deductibles, coinsurance and other cost sharing obligations that are covered by Wisconsin MA. The recipient will still be responsible for the cost of routine MA co-payments and any MAPP premiums if their income is greater than 150% of the federal poverty level (FPL).

The HIPP analyst will review CARES screens AFEI and AFAC to obtain preliminary employment and health insurance information. They will also use ANID and AQCM to acquire additional data about current and past household members. Even though MAPP eligibility is determined outside of CARES, the MAPP applicant/recipient must always be tested for other MA eligibility before being tested for MAPP. As a result, CARES screens will be completed for all MAPP cases and it is critical to the success of the HIPP effort that the aforementioned screens be completed accurately.

PARTICIPATION AND COOPERATION

Participation in HIPP will be optional for MAPP recipients who are enrolled in a Special Managed Care Program (SMCP). Examples of SMCP's are Independent Care Program, Elder Care Option Program, and Wraparound Milwaukee. The HIPP Unit will monitor the client's enrollment in these or other SMCP's operating in Wisconsin to determine the client's responsibility for HIPP participation. The MAPP recipient will not be considered "non-cooperative" for refusing to participate in HIPP while enrolled in a SMCP.

Another exception to the enrollment cooperation requirement is provided to recipients who are unable to enroll in an employer's health plan on their own behalf. An example of this situation would be when the MAPP recipient's spouse is unwilling to enroll the recipient into their employer based health plan. Under this scenario, the recipient's spouse has the cost effective employer's health plan but chooses not to enroll the MAPP recipient in that plan. Therefore coverage under that plan is unavailable to the recipient and beyond their control.

If neither of the exceptions described above is applicable, the recipient for whom cost effectiveness has been determined must participate in HIPP as a condition of their MAPP eligibility. The MAPP HIPP analyst will contact the employer and the employee to begin the HIPP insurance premium payment process. They will also verify with the employer that the

recipient is enrolled in the employer based health plan. If the recipient chooses not to participate, the MAPP HIPP analyst will contact the recipient's Economic Support (ES) worker and advise them of the non-cooperation. The ES worker will then discontinue the recipient's MAPP eligibility, following the usual procedures associated with adverse actions. A manual negative notice must be sent to the client at least 10 days prior to the effective date of the adverse action. The notice should state that the client's eligibility for MAPP is ending due to their non-cooperation with MAPP HIPP enrollment requirements. Include reference to § 49.472, Wis. Stats, and Administrative Rules HFS 103.087 and 108.02 with the notice.

Finally, complete a 3070 to discontinue the client's MAPP eligibility segment at EDS. The correct FAX number for sending in 3070's is 608-221-8815. Send the Recipient/Premium Information Form to the MAPP HIPP unit; their FAX number is 608-221-8185.

SUMMARY OF RESPONSIBILITIES

The MAPP HIPP Unit has primary responsibility for determining whether or not someone is cooperating with the HIPP process.

The ES worker is responsible for implementing the consequences of non cooperation (i.e., notifying the client of their ineligibility and closing the case).

CONTACT

DES CARES Information & Problem Resolution Center

E mail: carpolcc@dwd.state.wi.us
Telephone: (608) 261-6317 (Option #1)
Fax: (608) 266-8358

Note: E mail contacts are preferred. Thank you.